GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:3675
ANSWERED ON:07.08.2002
SALE OF COMPUTER
RAMJI MANJHI

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

(a) whether it is a fact that freight and insurance on the sale of computers are not to be charged from the purchasers as per the rules;

(b) if so, whether the Kendriya Bhandar has charged for freight and insurance on the sale of computers from the purchasers;

(c) if so, under which rule these charges were made;

(d) whether the Kendriya Bhandar has also charged local sales tax @ 6% on the sale of computers in Delhi;

(e) if so, the reasons for not showing LST so charged on their invoices; and

(f) the present status of their appeal on payment of Rs. 11 crore towards local sales tax?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE MINIS PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND M OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE. (SMT.VASUNDHARA RAJE)

(a),(b)&(c): No, Sir. Kendriya Bhandar is entitled to charge all its costs, including tax, freight and insurance from its customers.

(d)&(e): Kendriya Bhandar does not charge local sales tax (LST) from its customers on computers purchased locally and covered under the first point tax system. However, in cases where the purchases have been made on inter state basis, Kendriya Bhandar charges LST as applicable. In all cases, where this tax component has not been shown on the invoice, it is presumed that the price includes ST and other local taxes as may be applicable.

(f): The appeal is still pending before the appellate authority.